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Uruguay

United States Department of State
Bureau of Public Affairs

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Official Name:
Oriental Republic of Uruguay

PROFILE

Geography

Area: 176,215 sq. km. (68,037 sq. mi.); slightly smaller than Oklahoma. **Cities:** *Capital*—Montevideo (est. pop. 1.31 million). **Terrain:** Plains and low hills, 84% agricultural. **Climate:** Temperate.

People

Nationality: *Noun and adjective*—Uruguayan(s). **Population** (1990 est): 3.1 million. **Annual growth rate** (1989-90): 0.57%. **Ethnic groups** (est.): 90% white, 7% mestizo, 3% black. **Religions:** Roman Catholic 66%, Protestant 2%, Jewish 2%, nonprofessing or other 30%. **Language:** Spanish. **Education:** (Projected school-age pop., 1990—538,350 ages 5-14 yrs.; 260,238 ages 15-19 yrs.) *Literacy*—96%. **Health:** *Life expectancy* (1985-90)—75.3 yrs. (female); 68.9 yrs. (male). *Infant mortality rate* (1990)—24.41/1,000. **Work force** (1990): 1.4 million. *Manufacturing*—22%. *Government*—20%. *Agriculture*—13%. *Commerce*—17%. *Utilities, construction, transport, and communications*—12%. *Other services*—16%.

Government

Type: Republic. **Independence:** August 25, 1825. **Constitution:** February 1967.

Branches: *Executive*—president (chief of state and head of government). *Legislative*—General Assembly consisting of Chamber of Deputies, 99 seats; Senate, 30 seats. *Judicial*—Supreme Court of Justice.

Administrative subdivisions: 19 departments with limited autonomy.

Political parties: Colorado, Blanco (National), Broad Front Coalition, New Space Party, Civic Union. **Suffrage:** Universal, 18 and over.

Central government budget (1989): $1.5 billion.

Defense (1989): 1.4% of GDP.

Flag: Nine horizontal stripes—five white and four blue with a yellow sun in the left corner. The flag was adopted in 1830.

Economy

GDP (1989): $8.4 billion. **Annual growth rate** (1989): 1.5%. **Per capita GDP** (1989): $2,736. **Avg. inflation rate** (1989): 80.4%.

Natural resources: Soil, hydroelectric potential, gold, granite, and marble.

Agriculture (11.8% of GDP, 1989): *Products*—beef, wool, grains, fruits, vegetables.

Industry (21% of GDP, 1989): *Types*—meat processing, wool and hides, textiles, shoes, handbags, leather apparel, tires, cement, fishing, petroleum refining.

Trade: *Exports*—$1.6 billion (f.o.b. 1989): meat, wool, hides, leather and wool products, fish, rice, furs. *Major markets*—US 11%, EC 23% (FRG 8%), ALADI 37% (Argentina 5%, Brazil 28%). *Imports*—$1.2 billion (c.i.f. 1989): fuels, chemicals, machinery, metals. *Major suppliers*—US 10%, EC 19.2% (FRG 6%), ALADI 51% (Argentina 16%, Brazil 26%)

Exchange rate (June 21, 1990): 1,149 new pesos=US$1.

Fiscal year: Calendar year.

Economic aid received: IBRD $693 million (to June 1988); IFC—$35 million (to June 1988); IDB—$716 million (1966-88); US—$205 million (FY 1946-88). Military aid—$67 million (1950-87).

Membership in International Organizations

UN and some of its specialized and related agencies; INTELSAT; Latin American Integration Association (ALADI); Organization of American States (OAS); the Antarctic Consultative Group; Latin American Economic System (SELA); the Group of Eight, which is now known as the Group of Rio (informal group of Latin American states which deals with multilateral regional issues).

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PEOPLE and HISTORY

Uruguayans share a Spanish linguistic and cultural background, even though 25% of the population is of Italian origin. Most are Roman Catholics. Church and state are officially separated. Uruguay is distinguished by its high literacy rate and large urban middle class. The overall drop in real income since the 1960s has increased poverty, but the average Uruguayan standard of living still compares favorably with that of most other Latin Americans. Metropolitan Montevideo, with about an estimated 1.41 million inhabitants, is the only large city. The rest of the population lives in about 20 towns. During the past two decades, an estimated 500,000 Uruguayans have emigrated, principally to Argentina and Brazil. As a result of the low birth rate and relatively high rate of emigration of younger people, Uruguay's population is quite mature.

The only inhabitants of Uruguay, prior to European colonization of the area, were the Charrua Indians. The Charruas, a small tribe pressed south by the Guarani Indians of Paraguay, were generally hostile to the first explorers of the region, who quickly diminished their numbers.

In early Uruguayan history, Spain, Portugal, and later Brazil and Argentina struggled for control of the area. In 1811, José Gervasio Artigas, Uruguay's national hero, launched Uruguay's revolt against Spain and later led an unsuccessful attempt to gain autonomy within a regional federation with Argentina. In 1821, Uruguay was annexed by Brazil; however, in 1825, Uruguayan patriots declared independence from Portuguese rule and, with the support of Argentine troops, defeated Brazilian forces. Independence came in 1828. The new nation's first constitution was adopted July 18, 1830.

Batlle y Ordonez, president from 1903 to 1907 and again from 1911 to 1915, set the pattern for Uruguay's modern political development. He established widespread political, social, and economic reforms, such as an extensive welfare program, government participation in many facets of the economy, and a plural executive. Many of these programs continue today.

In 1973, amid increasing economic and political turmoil, the armed forces closed the Congress and established a civilian-military regime. A new constitution drafted by the military was rejected in a November 1980 plebiscite. Following the plebiscite, the armed forces announced a new plan for return to civilian rule, with national elections scheduled in 1984. Colorado Party leader Julio Maria Sanguinetti won the 1984 presidential election with 31.4 % of the vote.

In the 1989 presidential election, Blanco Party leader Luis Alberto Lacalle gained the presidency with 27% of the vote. Since taking office on March 1, 1990, President Lacalle has concentrated on economic and social reform programs. The Lacalle administration is vigorously pursuing budget deficit reduction, foreign debt reduction, privatization of state enterprises, civil service reform, and education and labor reform. To achieve these ambitious goals, the Lacalle administration has sought the legislative cooperation of the Colorado Party by appointing several Colorado Party members to his cabinet. He also has continued the previous government's policies of reserving some directorship positions in the autonomous state entities for opposition parties.

In the 1989 election, the Leftist Broad Front Coalition won the seat of the Intendente (Mayor) of Montevideo. Next to the presidency, this is the most important elective post in the country, as Montevideo contains 44% of the country's population. The Communist Party/Socialist Party/Radical Left coalition hopes to use this 5-year term as a springboard for future electoral gains at the national level.

Uruguay's economic difficulties, and the Lacalle administration's privatization and the labor reform proposals have led to increased tension

between the Labor Federation, the PIT-CNT, and the national government. The tempo of labor protest, which had declined after the first year of the Sanguinetti administration, rose with the approach of the 1989 elections and will likely increase in the short-term as the Lacalle administration's economic program progresses through parliament. The Lacalle administration is seeking through new labor legislation to regulate what currently is an almost unlimited right to strike, and to require that strikes be approved by a secret, obligatory vote of the membership.

GOVERNMENT

Uruguay's 1967 constitution institutionalizes a strong presidency, subject to legislative and judicial checks. Twelve cabinet ministers, appointed by the president, head the regular executive departments. In addition, a number of "autonomous entities" and "decentralized services" are important in government administration.

The constitution also provides for a bicameral General Assembly responsible for enacting laws and regulating the administration of justice. The General Assembly consists of a 30-member Senate and a 99-member Chamber of Deputies.

The highest court is the Supreme Court; below it are appellate and lower courts and justices of the peace. In addition, there are electoral and administrative ("contentious") courts, an accounts court, and a separate military judicial system.

Uruguay has 19 administrative departments organized similarly to the central government and four military regions.

Principal Government Officials

President—Luis Alberto Lacalle
Minister of Foreign Affairs—Hector Gros Espiell
Ambassador to the United States—Eduardo Macgillycuddy
Ambassador to the United Nations—Felpipe Paolillo
Ambassador to the Organization of American States—Didier Operti

Uruguay maintains an embassy in the United States at 1919 F Street, NW., Washington, D.C. 20006 (tel. 202-331-1313). Consulates also are located in Miami, Los Angeles, and New York.

ECONOMY

Even though agriculture provides only 11% of the GDP and employs only 11% of the labor force, it accounts for 56% of exports, which the government sees as the engine of Uruguayan growth. In 1988 Uruguay's beef and sheep herds totaled 36 million head. Uruguay's manufacturing derives significantly from its agricultural sector, with meat processing, leather production, fish and fish products, and textile, shoe, handbag, and leather apparel production. The government is aggressively urging export diversification, and textiles and leather goods are appearing in export statistics along with meat products, hides and leather, and wool.

The government has adopted an export-based strategy to achieve economic growth and meet its debt service obligations. The trade surplus for 1989 exceeded $450 million as exports rose 14% over 1988 and imports of capital goods declined by the same amount.

Because of the importance of exports, Uruguayan tariffs have been reduced. Trade promotion and tariff reduction agreements have been signed with Argentina and Brazil; ties with the United States and Western Europe are being strengthened; and through a program of new embassies and trade offices, new markets, such as Africa, the Middle East, and Asia are being explored.

Uruguay is committed to a floating exchange rate and has declared that it will intervene in the exchange market only in order to adjust seasonal fluctuations in foreign exchange inflows and outflows.

While Uruguay has one of the highest per capita external debts in the hemisphere, it has remained current on interest payments, ($552 million in 1989).

The Lacalle administration has introduced a package of reforms aimed at modernizing the economy and reducing its debt burden, fiscal deficit, and inflation. Some parts are in place, but privatization measures and social security reforms are still pending.

Uruguay is negotiating with the International Monetary Fund for a standby agreement based on reduction of the federal budget deficit and lower inflation (now nearly 100%). It also is negotiating a debt reduction agreement with commercial lenders. Completion of these negotiations will help reduce interest payments on its debts.

FOREIGN RELATIONS

Uruguay has strong political and cultural links with the democratic countries of the Americas and Europe. With these countries, it shares basic values, such as support for constitutional democracy, political pluralism, and individual liberties. Its international relations have been historically guided by the principles of nonintervention, respect for national sovereignty, and reliance on the rule of law to settle disputes. The new government has an active international relations program, seeking to find export markets and support for its financial needs. Additionally, Uruguay is a member of the Group of Rio, an informal group of Latin American states which deals with multilateral regional issues.

Uruguay's location between Argentina and Brazil makes close relations with these two larger neighbors particularly desirable. The three countries have been working closely on integrating their economic systems and improving relations across the spectrum. Uruguay also has been working with Brazil, Argentina, Paraguay, and Bolivia on an economic integration plan whose centerpiece is the development of the River Plate basin as a major shipping and commercial transportation link between the countries of the basin.

Uruguay is a party to the Inter-American Treaty of Reciprocal Assistance, General Agreement on Tariffs

and Trade, Latin American Nuclear Free Zone, and River Plate Basin Treaty.

DEFENSE

The armed forces are constitutionally subordinate to the president through the minister of defense. The approximate size of the armed forces is 19,800 for the army, 5,000 for the navy, and 3,300 for the air force.

US-URUGUAYAN RELATIONS

US-Uruguayan relations have traditionally been based on a common outlook and dedication to democratic ideals. Consequently, during the military regime, the United States expressed deep concern for human rights there and welcomed Uruguay's return to democracy.

Uruguay is cooperating with US regional efforts to reduce drug trafficking, which is increasing there, and to limit the exploitation of Uruguay's strict bank secrecy regulation for money-laundering purposes.

The Uruguayan government places a high priority on debt renegotiation, and Uruguay has set an exemplary record of full compliance in its debt principal and interest payments. It works with the United States bilaterally and in international trade liberalization to foster economic and political cooperation and to improve regional cooperation.

While agreeing with US policies to promote democracy, Uruguay sometimes differs on how this should be accomplished. This is particularly evident concerning US policies in Latin America, where Uruguay is influenced by its aspirations for Latin solidarity and integration.

Principal US Officials

Ambassador—Richard C. Brown
Deputy Chief of Mission—John P. Jurecky
Political Counselor—Gerard R. Pascua
Economic Counselor—John E. Hope
Labor Counselor—Charles W. Evans
Consul—Paul M. Doherty
Chief, Administrative Section—John M. Salazar
Public Affairs Officer (USIS)—Frank L. Jenista
Defense Attaché—Capt. Marshall W. Bronson USN
Chief, Office of Defense Cooperation—Col. Curtis S. Morris USAF

The US embassy in Uruguay is located at Lauro Muller 1776, Montevideo. The mailing address for the embassy is APO Miami, Fl. 34035. ■

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Travel Notes

Climate and clothing: Seasonal clothing, as in the US, is recommended. Although the temperature seldom drops below freezing and snow is rare, warm clothing is essential in winter months (June-August). Rainwear is useful.

Customs: No visa is required for a visit of less than 90 days. No inoculations are required. There are no currency restrictions.

Health: No particular health risks exist. Food handling and sanitation standards are relatively high, and the water supply is well maintained. Montevideo has several good private hospitals and many well-trained doctors.

Telecommunications: International telephone and telegraph service is efficient, although delays may be encountered; however, the local telephone network is overburdened. International telegraph-telex systems are available. Uruguay is 2 time zones ahead of eastern standard time.

Transportation: Several airlines have frequent service to Montevideo's Carrasco International Airport from the US, Europe, and other parts of Latin America. Internal transportation is mainly by car or bus; air service is available to a number of towns in the interior; there is no passenger railway service. Within Montevideo, bus service is inexpensive. Taxi service is reasonably priced, good, and readily available. Main roads are good, and secondary roads are adequate.

Holidays:

January 6	Three Kings' Day
April 19	Landing of the 33
May 1	Labor Day
May 18	Battle of Las Piedras
June 19	Artigas' Birthday
July 18	Constitution Day